

~~ADMINISTRATIVE - INTERNAL USE ONLY~~

P&ES 51-89  
25 July 1989

MEMORANDUM FOR:   
Office of Congressional Affairs

FROM: Chief, Policy and Evaluation Staff  
Office of Financial Management

SUBJECT: Pending Congressional Legislation

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1. As we discussed recently, of the legislative proposals that you have forwarded for our review, only three appear to impact Agency financial operations. That legislation is identified for you below with a short overview of the OFM interest:

-- HR 845 - Truth In Government Accounting Act

Requires the Secretary of the Treasury to publicize annual consolidated financial statements for the United States based on accrual accounting procedures. In addition, GAO is authorized to audit the financial statements and access all of the records used by the Treasury to prepare the reports. We are not sure precisely how this might evolve and expect that the real problems with this bill would not be known until Treasury issued implementing regulations. We probably need to be exempt from this legislation.

-- S 84 - Federal Debt Collection Act

Creates a uniform, nation-wide system for federal debt collection and, in addition, a debt collection fund to help defray collection expenses. We have no problem with this bill as is, however, in 1987 there was a bill (S 1961) similar to this one that had companion legislation introduced last year (HR 4499) which would have caused us problems due to the external reporting requirements. We expect that the same thing may happen to S 84. If so, we would probably need to be exempted.

-- HR 54 - Truth In Government Efficiency Reform Act

Requires the Treasury to submit to the President and Congress a five year plan for the purpose of improving financial management in the federal government.

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Federal agencies would be required to establish and maintain accounting systems which are consistent with GAO requirements and the provisions of Treasury's five year plan. All agency systems of accounting would be integrated with that of Treasury. Audits of internal control systems would be done by a team consisting of IG, internal auditor, and an outside independent auditor. We must monitor this bill as it cannot be implemented by the CIA.

2. Thank you for the opportunity to comment. Please let me know if we can be of any further assistance.



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